

AUGUST 31, 2022

24-Hour Slice of Day Test Year Considerations



Test Year Objectives and Opportunities

LSE RA Obligations should reflect realistic LSE loads

- LSE-specific load shapes need to be reasonably representative of actual loads served
- LSE-specific load shapes, when aggregated, need to be reasonably representative of system demand

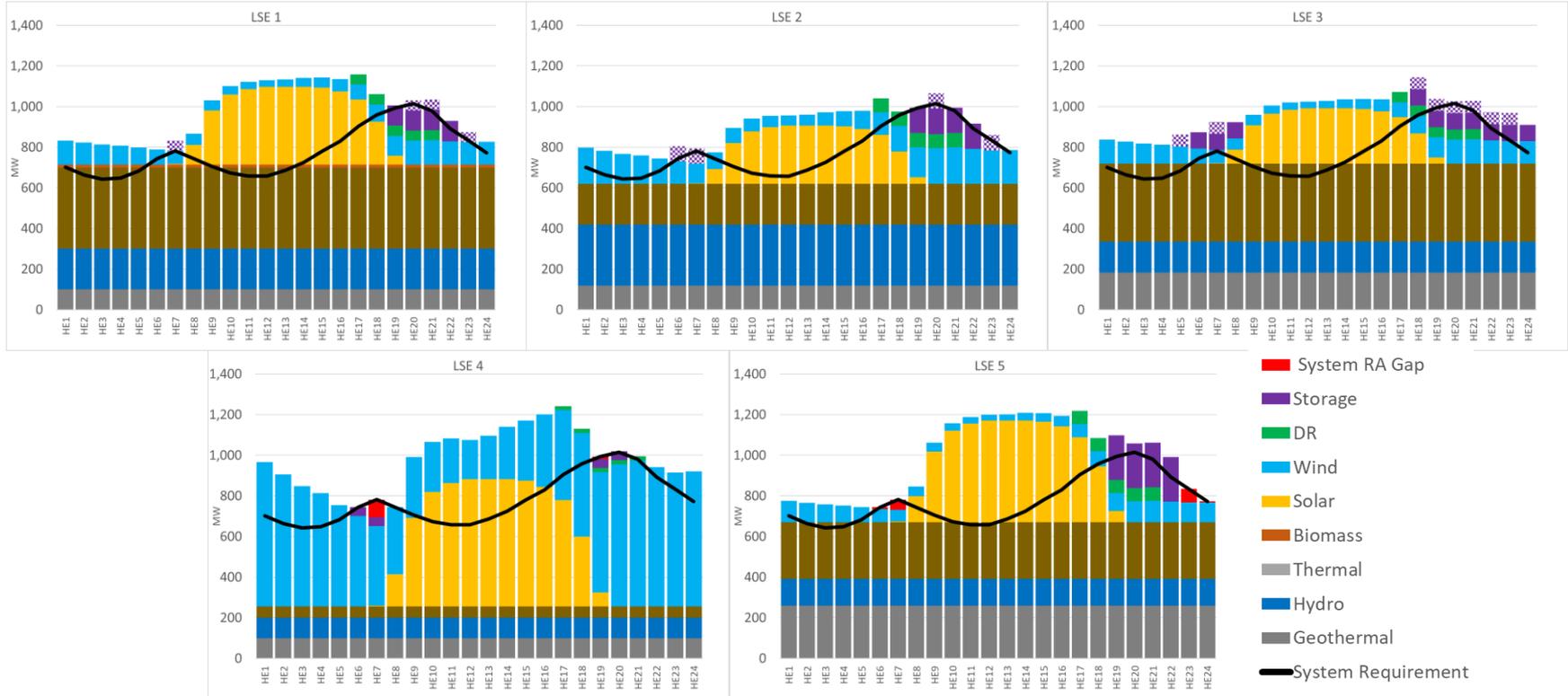
Aggregated LSE Showing / System Reliability Evaluation

- Should optimize LSE portfolios with RA obligations to avoid over-procurement and maintain affordability

Test Year and Implementation Timing

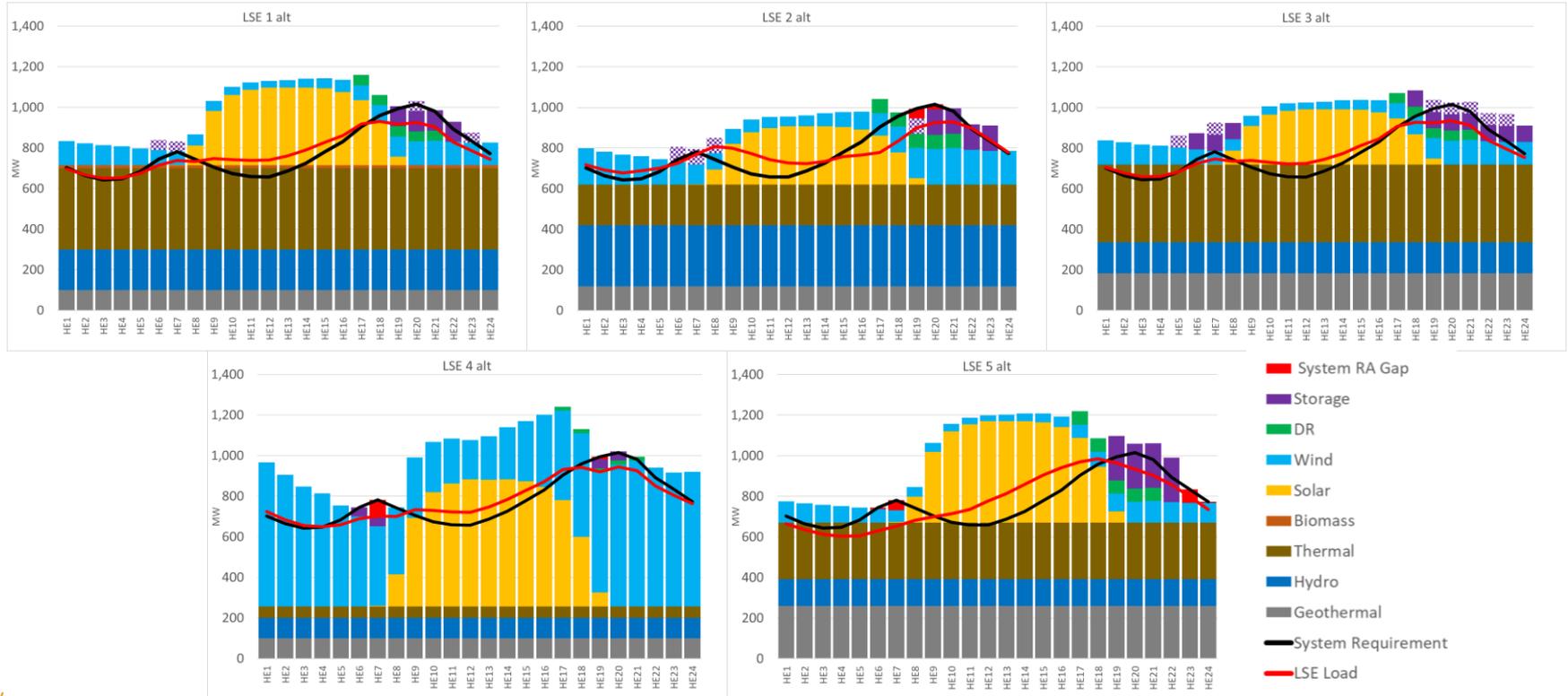
- Should consider transition mitigations in the event infeasibilities arise with the test year and implementation

Multi-LSE Showing and System Reliability Evaluation System Requirement Load Shape

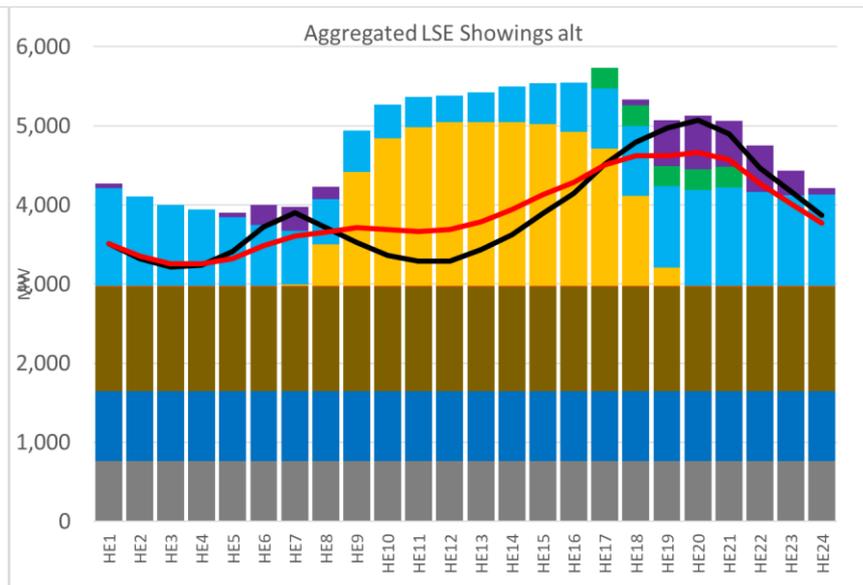
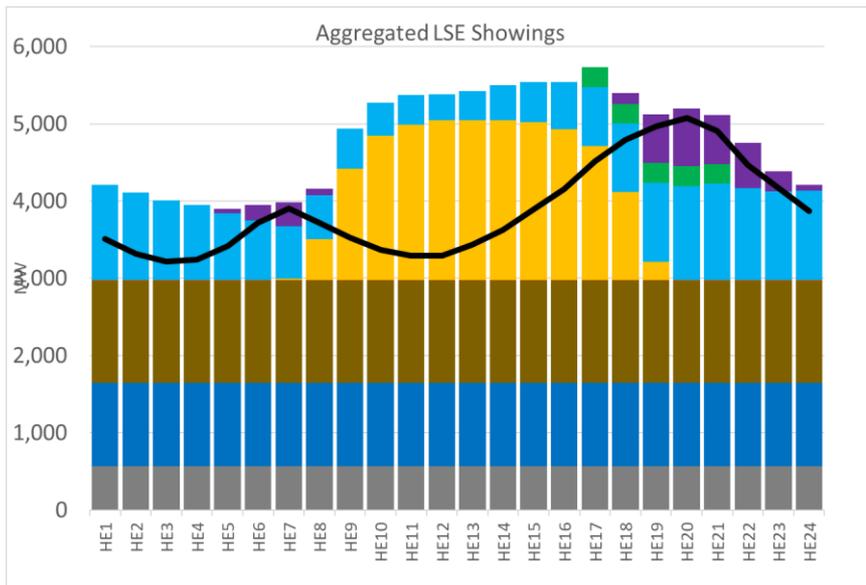


Multi-LSE Showing and System Reliability Evaluation

LSE Load Shape



Multi-LSE Showing and System Reliability Evaluation Vantage on System Reliability



- Geothermal
- Hydro
- Thermal
- Biomass
- Solar
- Wind
- DR
- Storage
- System RA Gap
- System Requirement
- LSE Shape

Test Year Success

RA Obligations

- Compliance obligations incent LSE portfolio development to satisfy requirements
- How the top-down vs bottom-up approach evolves will have significant effects

Aggregated Showing and System Evaluation

- Whether the RA program produces a reliable system for California may depend on how the showings are evaluated: whether at the individual LSE, LSE aggregates, or system level

Opportunities to Mitigate Challenges

- Compliance obligations incent LSE portfolio development to satisfy requirements
- RA Program should seek optimal utilization of existing resources to avoid risks to affordability and over-procurement

Thank you

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